

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RE: BOSTON GAS COMPANY
PERFORMANCE BASED RATE PLAN

DTE 03-40

SECOND SET OF INFORMATION REQUESTS OF
MASSACHUSETTS COMMUNITY ACTION PROGRAM DIRECTORS ASSOCIATION

Please send one copy of the responses to these information requests to:

Charles Harak
National Consumer Law Center
11 Summer Street, 10th floor
Boston, MA 02110

Jerrold Oppenheim
57 Middle Street
Gloucester, MA 01930

MASSCAP 2-1: [FOLLOW-UP TO AG 2-1]

- (a) Please explain whatever factors may have caused “total residential billing 30 to 59 days arrears” to decline from \$58.5 million in 1999 to the range of \$7 million to \$7.7 million in 2000 and 2001.
- (b) Please explain why “system conversion” prevents the Company from being able to calculate the 2002 arrears (30 to 59 days and 60+ days, AG 2-1, parts C and D). If this information is available for the portion of 2002 prior to the conversion (e.g., for the first six months of 2002), please provide the requested information for that period (e.g., the six-month period) and for the same portion (e.g., the first six months) of the years 1999, 2000 and 2001.
- (c) Is the increase in residential billing from \$402 million (2000) to \$546 million (2001), and the subsequent decline to \$398 million (2002) attributable (i) primarily to changes in the number of degree days; (ii) primarily to changes in the cost of gas adjustment or (iii) a combination of changes in degree days and the CGA? If other factors are involved, please explain.
- (d) Please provide the information requested by the Attorney General in AG 2-1, parts C and D, for any and all months of 2003 for which the data is now available. If no information is available, please explain why not, including whether it will become available at a later date (specify when).

- (e) For each of the years 1999 to 2002, and for portions of 2003 for which information may be available, provide the number of residential accounts that were in arrears (i) between 30 and 59 days and (ii) 60 days or more. To the extent the data is available monthly (or, failing that, quarterly), provide this information monthly (or quarterly).
- (f) Please provide the information requested in the preceding section, (e), for only those residential accounts coded as receiving fuel assistance or as “financial hardship” and for customers on the company’s low-income discount rates (heating and non-heating).
- (g) Please provide the information requested in AG 2-1, sections A, B, C, D, E, H, I, J and K only for those residential accounts coded as receiving fuel assistance or as “financial hardship” and for those customers on the company’s low-income discount rates.
- (h) Please restate the answer to AG 2-1(E) so that the data for all four years are comparable: either include bad debt related to gas costs for the years 2001 and 2002, or exclude gas costs for the years 1999 and 2000.
- (i) Please provide the information requested in the preceding section, (h), only for those residential accounts coded as receiving fuel assistance or as “financial hardship” and for those customers on the company’s low-income discount rates.
- (j) [See AG 2-1(G)]
 - (i) Does the company impose late charges on any residential accounts? If yes, please provide a reference to the appropriate portion of the Terms and Conditions, tariffs, or other source where these charges are listed.
 - (ii) Please explain the term “forfeited discounts,” and whether residential customers ever forfeit any discounts.
- (k) When the answer to AG2-1(H) is finally provided, please also state the number of such customers whose accounts were coded as receiving fuel assistance or as “financial hardship” accounts and the number of such customers on the company’s low-income discount rates.

MASSCAP 2-2

- (a) Does the Company code the accounts of residential customers that it knows are receiving fuel assistance payments?
- (b) Does it provide a separate code (that is, separate than the code for fuel assistance) for the accounts of customers who have submitted a “financial hardship” form or asserted “financial hardship” status, but who are not receiving fuel assistance payments on their gas bills?
- (c) To the extent that the Company’s practices regarding the coding policies described in the

preceding paragraphs (i) and (ii) have changed since 1999, please describe those changes.

MASSCAP 2-3

(a) Please provide the number of residential customers coded as receiving fuel assistance, for each of the years 1999 to 2003, inclusive. If the Company separately codes residential accounts as “financial hardship” (apart from those households coded as “fuel assistance”), please provide the number of these accounts as well, for the period 1999 to 2003.

(b) Please provide the number of customers on the company’s low-income discount rates (heating and non-heating separately) as of year-end (or date closest to year-end) 1999, 2000, 2001 and 2002, and for the most recent date in 2003 for which data is available.

MASSCAP 2-4

(a) Please provide the (i) number of warrants the Company obtained from courts, for the purposes of entering property to terminate residential service of Massachusetts customers, for each year 1999 to 2002, and for 2003 to date; (ii) the number of such warrants actually executed (i.e., premises physically entered under authority of a warrant), for the same time periods.

(b) Please provide the (i) number of warrants the Company obtained from courts, for the purposes of entering property to read residential meters in Massachusetts, for each year 1999 to 2002, and for 2003 to date; (ii) the number of such warrants actually executed (i.e., premises physically entered under authority of a warrant), for the same time periods.

MASSCAP 2-5

Please provide the number of liens on residential property obtained from courts, for the purposes of obtaining or securing payment from Massachusetts residential customers, for each year 1999 to 2002, and for 2003 to date.

MASSCAP 2-6

(a) Please provide the number of residential accounts referred for collection, for each year 1999 to 2002 and 2003 to date.

(b) If available, provide the number of such accounts, by year, that were coded as receiving fuel assistance or as “financial hardship” accounts, and that were receiving service under one of the low-income discount rates (heating or non-heating).

(c) Does the Company have an internal group or set of employees (including at any Keyspan affiliate) who perform collections work? If so, please name and/or describe the affiliate or group or employees and the types or nature of accounts that are referred to them.

MASSCAP 2-7

- (a) How many days must amounts due be in arrears before an account is charged to “bad debt”? Please specify whether the number of days is calculated from the date a bill for service is first mailed, or from some other date (e.g., initial due date).
- (b) If there are other criteria employed for determining “bad debt” other than the number of days overdue, please describe those criteria.

MASSCAP 2-8

For each month or quarter (if not available monthly), please provide the (i) number of new residential payment plans entered; (ii) the total number of plans in force; and (iii) the dollar amounts protected through payment plans, all for the period January 1, 1999 to the most recent date available.

MASSCAP 2-9 [Mr. Bodanza, JFB-1, pp. 13-15]

Please provide any evaluations of the New York On Track program completed by Keyspan, any Keyspan affiliate, or any outside contractor. Whether or not considered an “evaluation,” include any internal reports prepared by Keyspan or any Keyspan affiliate on the operation of On Track, including any quarterly, annual or other periodic reports. Also include any cost-benefit analysis of On Track and any reports on the On Track Program filed with the New York Public Service Commission.

MASSCAP 2-10

- (a) When did Keyspan (or one of its affiliates) institute the New York On Track program?
- (b) How many people have been enrolled, per year, for each year since the start of the program?
- (c) How many employees, and of what job categories, are assigned to the New York On Track program?
- (d) Please provide the average arrears of customers entering the New York On Track program, for each year (or shorter reporting period) since the program began, and the average arrears of those same customers at some milestone after the customers joined the program (e.g., at one year or 18 months after joining).
- (e) For the same years or reporting periods provided in response to the preceding paragraph, (d), provide the average arrears of customers coded as receiving fuel assistance payments but who did not participate in On Track (with “average arrears” meaning the total amount of dollars in arrears for those customers, as of a particular date during the year or reporting period, divided by the number of customers coded as receiving fuel assistance).

- (f) For the same years or reporting periods provided in response to the preceding paragraph, (d), provide the average arrears of all residential customers (with “average arrears” meaning the total amount of dollars in arrears for those customers, as of a particular date during the year or reporting period, divided by the number of residential customers).

MASSCAP 2-11

Did Keyspan (or any of its affiliates) obtain the approval of the New York Public Service Commission regarding its operation of the On Track program? If yes, include a copy of the relevant decision or order. [If the decision is a lengthy general rate hike decision, the Company may provide the portion or portions of the decision that mention or discuss On Track].

MASSCAP 2-12

Please describe the operation of the proposed Massachusetts On Track program including:

- (a) the title and location of the person or persons who will be in charge of the program;
- (b) the titles and locations of other personnel who will be involved in operating the program;
- (c) the criteria for accepting customers into the program;
- (d) the number of customers that will be accepted into the program, both in the initial year and in subsequent years;
- (e) any assumptions or projections the company has made regarding changes in the bill-paying behavior of customers who will be accepted into the On Track program.

MASSCAP 2-13

(a) Please describe the “education” component of the On Track program (JFB-1, p. 13, l. 21), including a description of any written or audio-visual materials provided to customers and any in-person educational sessions, in connection with the existing New York program and, if relevant, any different features of the educational component of the proposed Massachusetts program.

(b) Please describe the “counseling” component of the On Track program (JFB-1, p. 13, l. 21), including a description of who provides the counseling and the type of counseling offered (financial/budget, other), in connection with the existing New York program and, if relevant, any different features of the educational component of the proposed Massachusetts program.

(c) Please describe the “advocacy” component of the On Track program (JFB-1, p. 13, l. 21), including a description of who provides the advocacy and the type of advocacy offered (financial/budget, other), in connection with the existing New York program and, if relevant, any

different features of the educational component of the proposed Massachusetts program.

MASSCAP 2-14 [See JFB-1, p. 14, l. 5]

(a) Will customers eligible for fuel assistance be excluded from the proposed Massachusetts On Track program, under the proviso that anyone “eligible for any public assistance that would cover utility arrears” is not eligible for On Track”?

(b) Does the answer to (a) depend on whether public assistance would cover the entire amount of the utility arrears, rather than being large enough to cover only a fraction of the arrears?

MASSCAP 2-15 [See JFB-1, p. 14, l. 8]

Please provide copies of any training materials or guidelines used in the New York On Track program to help determine the amounts of payments that should be sought under “an affordable payment plan.”

MASSCAP 2-16

How many social workers does the Company (or any Keyspan affiliate) propose to assign to the Massachusetts On Track program, and where will they be based?

MASSCAP 2-17

Please provide the timing of the New York On Track program’s arrearage forgiveness component:

(a) How frequently, or at what points during the program, are the \$100 credits offered to customers?

(b) What happens to customers who fall behind on their payments under any payment plan established? Specifically, what rules or policies are followed to determine if the customer will be terminated from the program (if that ever occurs) or allowed to negotiate a new payment plan, or otherwise allowed to continue in the program despite missing one or more payments?

(c) Does the Company propose any different policies or rules regarding the timing and amount of credits to be offered in the Massachusetts program, or any different policies regarding customers who fall behind on their payments?

MASSCAP 2-18 [See JFB-1, p. 15, l. 11 - 13]

To the extent not provided in response to MASSCAP 2-10, please provide:

(a) the evaluations, studies or reports that show “participants paid about \$190 a year more toward their energy bills;” and

(b) the data or reports showing the comparison between “customer termination actions and contacts concerning payment” before and after entering the On Track program.

DATED: May 30, 2003